



AP/3622  
MAY

IN THE  
UNITED STATES PATENT AND TRADEMARK OFFICE

Inventor(s): Hong Michael DANG

Confirmation No.: 9378

Application No.: 09/995,190

Examiner: James A. Kramer

Filing Date: Nov. 26, 2001

Group Art Unit: 3627

Title: APPARATUS, SYSTEM, AND METHOD FOR REPORTING FINANCIAL DATA AND  
REMITTING FUNDS OVER AN INTERACTIVE COMMUNICATIONS NETWORK OR THE  
LIKE

Mail Stop Appeal Brief-Patents  
Commissioner For Patents  
PO Box 1450  
Alexandria, VA 22313-1450

TRANSMITTAL OF APPEAL BRIEF

Sir:

Transmitted herewith is the Appeal Brief in this application with respect to the Notice of Appeal filed  
on March 25, 2005.

The fee for filing this Appeal Brief is (37 CFR 1.17(c)) \$500.00.

(complete (a) or (b) as applicable)

The proceedings herein are for a patent application and the provisions of 37 CFR 1.136(a) apply.

(X) (a) Applicant petitions for an extension of time under 37 CFR 1.136 (fees: 37 CFR 1.17(a)-(d)  
for the total number of months checked below:

( ) one month	\$120.00
( ) two months	\$450.00
( ) three months	\$1020.00
( ) four months	\$1590.00

( ) The extension fee has already been filled in this application.

( ) (b) Applicant believes that no extension of time is required. However, this conditional petition is  
being made to provide for the possibility that applicant has inadvertently overlooked the need  
for a petition and fee for extension of time.

Please charge to Deposit Account **08-2025** the sum of \$500.00. At any time during the  
pendency of this application, please charge any fees required or credit any over payment to Deposit  
Account 08-2025 pursuant to 37 CFR 1.25. Additionally please charge any fees to Deposit Account  
08-2025 under 37 CFR 1.16 through 1.21 inclusive, and any other sections in Title 37 of the Code of  
Federal Regulations that may regulate fees. A duplicate copy of this sheet is enclosed.

(X) I hereby certify that this correspondence is being  
deposited with the United States Postal Service as  
first class mail in an envelope addressed to:  
Commissioner for Patents, Alexandria, VA  
22313-1450. Date of Deposit: May 25, 2005

OR

( ) I hereby certify that this paper is being transmitted  
to the Patent and Trademark Office facsimile  
number \_\_\_\_\_ on \_\_\_\_\_

Number of pages:

Typed Name: Judy H. Chung

Signature: Judy H. Chung

Respectfully submitted,

Hong Michael DANG

By Ashok K. Mannava

Ashok K. Mannava

Attorney/Agent for Applicant(s)

Reg. No. 45,301

Date: May 25, 2005

Telephone No.: (703) 652-3822



**PATENT**  
Atty Docket No.: 100111410-2

**In The U.S. Patent and Trademark Office**

**In Re the Application of:**

**Inventor(s):** Hong Michael DANG                      **Confirmation No.:** 9378  
**Serial No.:** 09/995,190                      **Examiner:** James A. Kramer  
**Filed:** November 26, 2001                      **Group Art Unit:** 3627  
**Title:** APPARATUS, SYSTEM, AND METHOD FOR REPORTING FINANCIAL  
DATA AND REMITTING FUNDS OVER AN INTERACTIVE  
COMMUNICATIONS NETWORK OR THE LIKE

**MAIL STOP APPEAL BRIEF-PATENTS**

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**CERTIFICATE OF MAILING WITH THE USPTO**

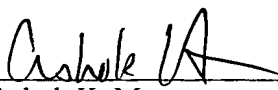
I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner for Patents, Alexandria, VA 22313-1450. This correspondence contains the following document(s):

11 sheet of Transmittal Letter for Appeal Brief (2 copies).  
34 sheets of Appeal Brief including Appendix A (3 copies).

Respectfully submitted,

MANNAVA & KANG, P.C.

Date of Deposit  
May 25, 2005

  
\_\_\_\_\_  
Ashok K. Mannava  
Reg. No.: 45,301

MANNAVA & KANG, P.C.  
8221 Old Courthouse Road  
Suite 104  
Vienna, VA 22182  
(703) 652-3822  
(703) 880-5270 (facsimile)



HEWLETT-PACKARD COMPANY  
Intellectual Property Administration  
P.O. Box 272400  
Fort Collins, Colorado 80527-2400

HPNO.: 100111410-2

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

**Inventor(s):** Hong Michael DANG                      **Confirmation No.:** 9378  
**Serial No.:** 09/995,190                                  **Examiner:** James A. Kramer  
**Filed:** November 26, 2001                              **Group Art Unit:** 3627  
**Title:** APPARATUS, SYSTEM, AND METHOD FOR REPORTING FINANCIAL  
DATA AND REMITTING FUNDS OVER AN INTERACTIVE  
COMMUNICATIONS NETWORK OR THE LIKE

**MAIL STOP APPEAL BRIEF-PATENTS**  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**APPEAL BRIEF**

Appellants respectfully submit this Appeal Brief in response to the Office Action, including a Final Rejection, mailed on December 22, 2004 and the Advisory Action mailed on March 2, 2005.

**PATENT**

Atty Docket No.: 100111410-2

App. Ser. No.: 09/995,190

**I. Real Party in Interest**

The real party in interest with respect to this appeal is the Hewlett-Packard Company, the named assignee in this application.

**II. Related Appeals and Interferences**

There are no interference or other appeals related to this application or this appeal.

**III. Status of Claims**

Claims 1-6 stand rejected, and claims 1-6 are at issue on this appeal.

This application was originally filed with six claims, of which, claims 1-6 are each independent. Responsive to the first Office Action, an Amendment was filed setting forth amendments to claims 1-6. This Amendment was entered into the record.

The Office Action, including the final rejection, was mailed on December 22, 2004. In response to the Office Action, a Response was filed presenting arguments for consideration by the Examiner but no amendments were made to claims 1-6.

An Advisory Action was mailed on March 2, 2005, indicating that claims 1-6 are rejected. Thus, claims 1-6 are currently pending in this application.

Pursuant to 37 C.F.R. § 1.191(a), Appellant hereby appeals the Examiner's decision finally rejecting claims 1-6 to the Board of Patent Appeals and Interferences. Therefore, all claims pending in this application are at issue on this appeal.

**IV. Status of Amendments**

A Request for Reconsideration was filed subsequent to the issuance of the Office Action, including the Final Rejection. That Request for Reconsideration did not include any amendments to the claims.

A copy of the claims at issue on appeal is attached as appendix A.

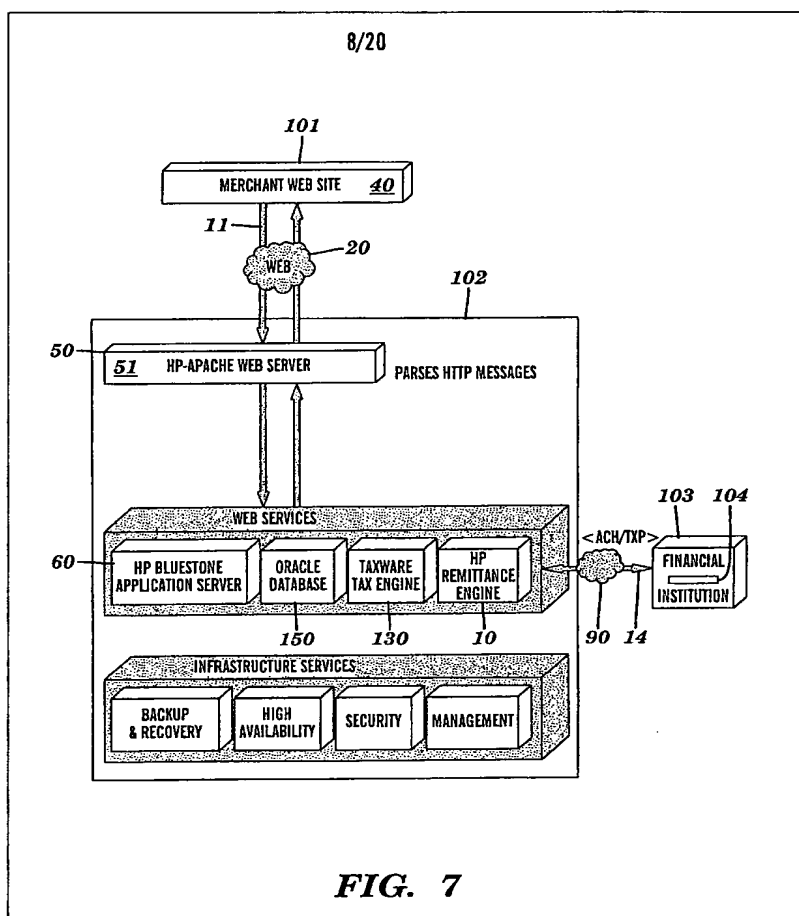
**V. SUMMARY OF CLAIMED SUBJECT MATTER**

Embodiments of the invention pertain to a system and method for automatically reporting financial data and remitting funds over an interactive communications network. Domestic businesses are usually required by state and local authorities to charge sales and/or use tax for most commercial transactions relating to goods or services. Typically, each business is required to (i) calculate based upon a formula how much to charge for each transaction, (ii) file a return with the government authorities identifying the amount of revenue collected, taxes accrued and any exemptions, (iii) periodically remit the amount of taxes owed to the government authorities, (iv) issue check requests, and (iv) defend audits undertaken by the government authorities.

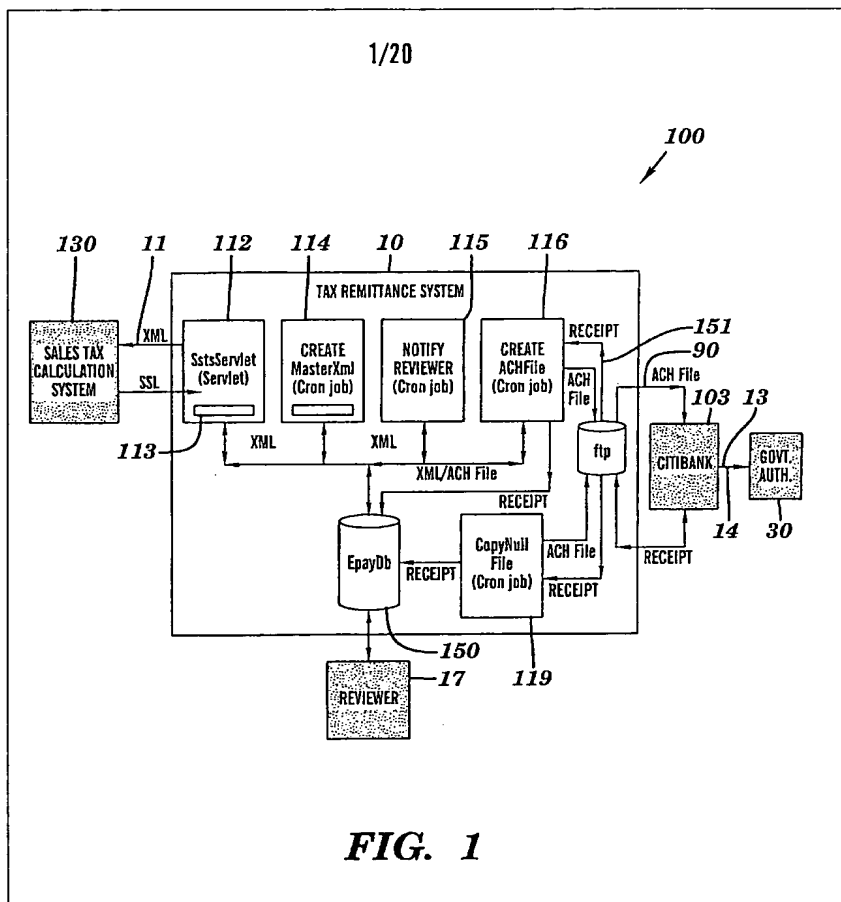
Traditional methods for preparing and reporting tax information to government authorities have essentially been manual. In particular, at the close of each reporting period (monthly, quarterly or annually), financial representatives of the merchants, e.g., accountants, would consolidate all of the merchant's relevant sales and other transactional data and calculate the amount of sales and/or use tax owed. Selected forms, periodic tax payments, checks and other paperwork often necessary for reporting taxes would then be sent to the government authorities via U.S. mail. Since this process is essentially manual and is usually

based only on information provided by the merchant, the merchant often had control over what was disclosed to their representative and, ultimately, what was reported to the government authorities. Consequently, this practice allows those relatively unscrupulous merchants to avoid paying taxes on considerable portions of their sales and other commercial transactions. Also, the manual calculation and reporting is prone to human error.

According to embodiments of the invention, a system and method are provided for automatically reporting and paying sales and/or use tax to selected government authorities, such as local, state and/or federal government treasuries, for taxable transactions of subscribers. Examples of subscribers include taxpayers, such as merchants and vendors. An example of a reporting and remitting system that is operable to report financial data, including tax-related information, to government authorities and remit funds, such as taxes collected by a merchant, to the government authorities is illustrated in figures 7 and 1 of the present application, which are reproduced below.



With respect to figure 7, a subscriber system 101 is connected to a service provider system 102 through a network 20. The subscriber system 101, for example, is a merchant's system. The service provider system 102 receives transaction information for each transaction from the subscriber system 101, such as information for purchases of goods or services. The tax computation module 130 in the subscriber system 101 determines the correct sales and/or use tax for each transaction and stores this information in the database 150 for completed transactions. See p. 14, line 17-page 15, line 10.



The tax computation module 130 sends, at regular intervals (e.g., daily, weekly, monthly or quarterly) XML-based transaction requests 11 or like instructions to system 100 shown in figure 1. These instructions, for instance, ask the system to report tax related data and to remit funds corresponding to the data to an account of a selected financial institution 103 and to pay appropriate government authorities 30.

Several functions are performed by the system 100 shown in figure 1 for processing the XML-based transaction requests 11 from the tax computation module 130 to report tax related data and to remit funds to the government authorities 30, such as described on p. 16,



line 6-p. 17, line 10. Referring to figure 1, the service provider system 102 includes several functions or modules for performing these functions as described below.

A function or module 112 shown in figure 1 receives XML-based transaction requests from the tax computation module 130 which computes sales and/or use tax for payments and accruals.

A module or function 113 verifies the validity of the XML-based request from the tax computation module 130. It also stores the valid transaction request in database 150.

A function or module 114 transforms the transaction request into a master XML-based request file and stores the master request file in the database 150.

A module or function 115 may then notify an authorized third party, such as a tax reviewer 17, preferably by electronic means, to validate any request requiring approval prior to transmitting the tax related data to the financial institution 103.

A module or function 116 builds a total XML-based file 151 and transforms the file into a first TXP-based file for remitting information associated with the file over a network, e.g., automated clearinghouse network 90, to the selected government authority. The module 116 copies the first TXP-based file to an outbox file for secure and automatic access by financial institution 103. TXP (i.e., tax transaction payment language) and, more particularly, ACH/TXP is a specific data format for electronic funds transfer relating to taxes and, namely, to those transmitted over the automated clearinghouse network.

A module or function receives the first TXP-based file as a first TXP-based receipt file in an inbox file subsequent to processing of the first TXP-based receipt file by the financial institution 103. A module or function decrypts first TXP-based receipt file, stores the decrypted file as a second TXP-based receipt file in the database 150, and substantially

deletes the first TXP-based file and the first TXP-based receipt file from the outbox file and inbox file, respectively.

A seventh and/or eighth module or function 119 is provided which decrypts the first TXP-based receipt file, stores the decrypted file as a second TXP-based receipt file in the database, and replaces each of the first TXP-based files and the first TXP-based receipt files in the outbox file and inbox file, respectively, with a null file.

According to another embodiment, as illustrated in figures 2-3B and described on p. 30, line 3-p. 31, line 13, a module 160 (e.g., SstsServlet or java based application downloaded to the server) is provided for receiving an XML-based transaction request from a tax computation system, such as the tax computation module 130 shown in figure 7, and checking the request for any errors and communicating such determination back to the module 130. The module 160 is effectively the main point of entry for the present invention, in general, and the host server in particular.

In operation, an XML-based transaction request 11 is input to apparatus 10 from tax computation module 130. In practice, this may involve a tax computation program such as TaxWare, T-Square or the like, periodically posting an XML-based message 18 to the host or remittance server. Next, the request is read 222 and data contained in the request is written 223 to a selected XML-based input file 158 of database 150. Next, the system parses 224 the selected input file to determine whether XML-based transaction request 11 is valid. If the request is invalid, then an XML-based file 19 is created 225, which includes the request and error, and is sent 226 to the tax computation module 130 in reply. If the request is valid, then the system determines 227 the type of request being made.

If the request is a status request, then transaction identifier 16 is extracted 228 from

the request. An XML-based file 21 is retrieved 229 from database 150 that contains the status of the current automated clearinghouse network and other data for the request. The system creates 230 a response 22 to the request to indicate that the request has been successful, and sends 231 the response to the tax computation module 130.

If the request is a remittance request, then the system determines 232 whether all required elements of the request are non-blank. Should all required elements of the request be non-blank, then the system determines 233 whether the amount of tax computed 13 is valid. And if the amount of tax computed is valid, then the system determines 234 whether the message identifier in the request is unique. Moreover, if the message identifier is found to be unique, then the request is stored 235 in a TXP-based log file 23 of the database, the transaction identifier for this 10 request is retrieved 236 from the database, and a file 24 is created 237 that includes the request and transaction identifier to indicate that the request has been successful, and file 24 is sent 238 to the tax computation module 130 in response. An exemplary log file for transaction requests is shown in Tables VI and VII on pages 31 and 32.

Next, after the XML-based transaction request 111 is checked for errors and passes the verification stage, the XML-based transaction request 11 is passed 241 to a module 161 that creates a master XML-based transaction request file 26. This method is shown generally in figure 4. Initially, a log file 27 is retrieved from database 150 which indicates that a successful request for transmission of tax related data has been made. The master XML-based transaction request file is then created and stored 243 in the database log file 27. Last, an automated clearinghouse network TXP-based status file 28 is accessed 244 from the database and updated 245 to indicate that a master XML-based file has been created in the log file.

For example, a stand-alone java program, or CreateFullXml, is used to transform a file, or RemittanceRequest, into the master XML-based file, or FullXml, and stored in the database.

Thereafter, another operative module 162 is encountered. As shown in figure 5, this module serves to create a TXP-based file 29 for automated clearinghouse network 90. The first step is to determine 246 whether a TXP-based file is present in outbox file 153 of the system for receiving the XML-based transaction request from the tax computation module. If a TXP-based file has been detected in the outbox file, then no conversion is performed. Should no TXP-based file be detected in the outbox, then a sequence number 31 is selected 247 for updating an XML-based file 32 for the network. If a request from the tax computation module has not been processed, then a master XML-based request file 33 is retrieved 248 from the database that has an automated clearinghouse network approval status.

Next, retrieved master XML-based request file 33 is combined 249 with total XML-based request file 151. The total XML-based file is converted 250 to a TXP-based file 34, and both the total XML-based file and TXP-based file are stored 251 in an automated clearinghouse network log file 35 of the database. The status file in the database for the network is updated 252 to indicate that an automated clearing house TXP-based file has been created for XML-based transaction requests, desirably for all such requests, in the master XML-based request file. Finally, the total XML-based request file is deleted 253. See p. 32, line 19-p. 33, line 23.

## **VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL**

A. Claims 1-6 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Cretzler (U.S. Patent Number 5,644,724) in view of Perkowski (U.S. Patent Number

6,625,581). A *prima facie* case of obviousness has not been established under 35 U.S.C. § 103(a) because Cretzler in view of Perkowski fails to teach or suggest all the features of claims 1-6. The rejection of claims 1-6 over Cretzler in view of Perkowski is presented for review.

## VII. ARGUMENT

### A. DISCUSSION OF THE LAW

The test for determining if a claim is rendered obvious by one or more references for purposes of a rejection under 35 U.S.C. § 103 is set forth in MPEP § 706.02(j):

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

Therefore, if the above-identified criteria are not met, then the cited reference(s) fails to render obvious the claimed invention and, thus, the claimed invention is distinguishable over the cited reference(s).

Claims 1-6 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Cretzler in view of Perkowski. A *prima facie* case of obviousness has not been established under 35 U.S.C. § 103 because Cretzler in view of Perkowski fails to teach or suggest all the features of claims 1-6. To establish *prima facie* obviousness of a claimed invention, all claim

elements must be taught or suggested by the prior art. See In re Royka, 490 F.2d 981, USPQ 580 (CCPA 1974). “All words in a claim must be considered in judging the patentability of that claim against the prior art.” See In re Wilson, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

**B. The References**

**1. U.S. Patent No. 5,644,724 to Cretzler**

Cretzler pertains to a point-of-sale tax collection system and method. The system includes a group of point-of-sale terminals at a merchant location which receive and store tax collection information under merchant control. See Abstract.

In operation, a merchant utilizes the point-of-sale terminals to conduct financial transactions with customers. In response to each transaction, a microprocessor 24 computes sales or use taxes and indicates to the merchant the amount of taxes to collect. The merchant enters this data on the customer’s invoice and collects taxes from the customer. The microprocessor 24 stores transaction information along with the amount of collected taxes. The microprocessor 24 retains a running total of all collected taxes owed to the corresponding taxing authorities. See Column 4 Lines 25-36.

At the end of each business day, the merchant enters a transmit code into the microcomputer 24 which sends tax information to the bank of the merchant. The tax information includes: the data and tax identification of the merchant, the total sum of collected taxes for the transaction period, the allocation of the total sum of collected taxes to the individual taxing authorities, the data the merchant expects to deposit the collected tax in the merchant bank, and an authorization code to instruct the merchant back to wire transfer

the collected sums to the appropriate taxing authorities. Upon receipt of the transaction data, the corresponding merchant bank waits a predetermined period for the funds and then transfers the sums to the taxing authority banks. See Column 4 Line 53 – Column 5 Line 11.

**2. U.S. Patent No. 6,625,581 to Perkowski**

Perkowski pertains to a method and system for enabling the access of consumer product related information and the purchase of consumer products at points of consumer presence on the world wide web. See Abstract. Perkowski was referenced by the Examiner for disclosing the use of XML-based messages. Perkowski however does not disclose or refer to the collection or remittance of tax related information in any way and fails to remedy the deficiencies of Cretzler described in detail below.

**C. The Examiner's Position**

The Examiner alleges that all of the independent claims 1-6 are rendered obvious by the disclosures of Cretzler and Perkowski. The Examiner considers Cretzler as disclosing all of the features of independent claims 1-6, except for the use of XML-based messaging. In an attempt to make up for this deficiency, the Examiner relies upon the disclosure contained in Perkowski to only teach XML-based messaging.

It should be noted that the Office Action does not particularly point out how each feature of claims 1-6 are taught or suggested by Cretzler. The Examiner's general assertions are summarized below.

The Examiner asserts that "receiving transaction request" and "storing transaction request into master request file in a data base" are shown by the system of Cretzler including

a group of point-of-sale terminals that receive tax collection information, totals, and stores the requests at column 2 lines 24-35. The Examiner also asserts that because the bank computer at a merchant bank receives the tax collection information from the merchant and wire transfers the collected sums to the tax authority (column 2 lines 31-43), it is inherent that the bank collects the information from the merchant and transfers the data into a TPX-based file in order to wire transfer the money to the tax authority.

The Examiner also asserts the Cretzler teaches, for credit and debit transactions, that the system obtains approval for an intended transaction at column 4 lines 37-41. This approval, the Examiner asserts, represents a third party verification of any request prior to the transaction of tax related information. Finally, the Examiner asserts the Cretzler teaches that the customer is notified of the sums received on behalf of the merchant at column 6 lines 1-5. This, the Examiner asserts, represents allowing a third party to review the TXP file.

**D.     Rejections of claims 1-6 under 35 U.S.C. § 103(a) over Cretzler in view of Perkowski**

Claims 1-6 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Cretzler in view of Perkowski.

**1.     Rejection of claim 1 under 35 U.S.C. § 103(a) over Cretzler in view of Perkowski**

The Applicant asserts that the rejection has failed to establish a *prima facie* case of obviousness because Cretzler in view of Perkowski fails to teach or suggest all the features of claim 1. Furthermore, the Office Action does not mention any claim in particular or refer with specificity to any particular feature of any claim.



Claim 1, for instance, recites “a first function for receiving an XML-based transaction request from a program controlled system for computation of sales and/or use tax including sales and/or use tax for payments and accruals, verifying the validity of the request and replying to the system with an XML response.”

The Office Action and the Advisory Action seem to interpret this entire feature as receiving a transaction request for a purchase of a product. In particular, the Advisory Action alleges that the claimed first function, when given the broadest interpretation, is a simple transaction request for the purchase of a product.

The Applicant asserts that many features of the claimed first function are not taught or suggested by Cretzler. In column 4, lines 15-31 of Cretzler, Cretzler discloses that a merchant utilizing a point-of-sale terminal enters sales transaction data, such as purchase price, into a microprocessor 24 in the point of sale terminal and the microprocessor 24 calculates the amount of taxes to be collected. The merchant then enters the amount of taxes due for a purchase on a customer’s invoice and collects the total sum including the purchase price and taxes.

Even broadly interpreted, the purchase of a product using a point-of sale terminal does not include a request for the accrual of sales and/or use tax. Cretzler discloses that the invoice for the customer includes the taxes due, but does not disclose a purchase of a product including a request for the accrual of sales and/or use tax. Unlike an embodiment of the Applicant’s invention, where a request for accrual of taxes may be received monthly, quarterly or annually, and the taxes accumulated for the particularly time period are calculated, reported and remitted (See p. 15, lines 11-24), there is no teaching or suggestion in Cretzler for receiving a request for accruing taxes from a customer purchasing a product.

Cretzler discloses the microprocessor 24 retains a running total of all collected taxes owed to the corresponding taxing authorities, but the running total is calculated automatically and not in response to a request for accrual.

Furthermore, claim 1 recites, “receiving a transaction request from a program controlled system for computation of sales and/or use tax including sales and/or use tax for payments and accruals.” In Cretzler a request for a purchase of a product is not received from a program controlled system. Instead, the request for a purchase of a product is received manually and information about the transaction is manually entered into the point-of-sale device via the input device 22 shown in figure 1A. Also, the point-of-sale device in Cretzler is used to enter information about transactions for purchasing products which results in the point-of-sale device calculating sales tax so the customer knows the amount of sales tax due with the purchase price. Thus, the point-of-sale device receives a request for the purchase of a product and not a request for computing the sales tax.

Furthermore, Cretzler fails to teach or suggest verifying the validity of the request for the payment and accruals of sales and/or use tax and also fails to teach or suggest replying to the system with an XML response. There is no verification of a validity of a purchase request in Cretzler. As alleged in the Advisory Action, the claimed first function is a simple request for a purchase of a product. However, Cretzler fails to teach verifying the validity of a purchase request. Furthermore, there is no reply to a program controlled system in Cretzler.

Additionally, claim 1 recites “a second function for transforming the transaction request into a master XML-based request file and storing the master request file in a database.” This feature is not mentioned in the Office Action other than a statement stating, “(storing transaction request into master request file in a database) (column 2, lines 24-35).

Cretzler discloses in column 2, line 28 storing sales tax collection information from daily transactions. However, claim 1 recites transforming the request into a master XML-based request file. The Advisory Action is alleging the request is a simple purchase request. Cretzler fails to teach or suggest transforming a purchase request into a file, let alone a master XML-based file, and also fails to teach or suggest storing a purchase request in a database. In addition, Cretzler fails to teach transforming information about collected taxes into a file, let alone a master XML-based file.

Claim 1 also recites “a fourth function for transforming the master XML-based request file to a TXP-based file and locating the file in an outbox for retrieval by the financial institution and a fifth function for permitting the financial institution to securely and automatically retrieve the TXP-based file from the outbox.” The Office Action alleges that this is shown in column 2, lines 24-35 of Cretzler because “it is inherent that when the bank collects the information from the merchant it must transfer that data into a TPX-based file in order to wire transfer the money to the tax authority.” However, the Applicant asserts that Cretzler fails to show a request file, an outbox, or a function for permitting the financial institution to securely and automatically retrieve the TXP-based file from the outbox, such as disclosed in the system 100 shown in figure 1 of the present application. In fact, no outbox and automatic retrieval of a TXP-based file is ever mentioned in Cretzler because it discloses a system which requires the merchant to manually activate a microcomputer to transmit tax information. “At the end of each business day, the merchant enters a transmit code into the microcomputer 24 via the input device 22 that causes the microcomputer 24 to send the following tax information to the bank of the merchant...” See column 4, lines 53-57.

Claim 1 also recites “a sixth function for securely logging and allowing the third party to review the TXP-based file.” The Office Action alleges that this is shown by Cretzler’s disclosure of a system that obtains approval for credit and debit transactions. Clearly, this cannot be a reasonable interpretation because the Office Action alleges that the TXP-based file is used to wire money to a tax authority. Therefore, the Applicant asserts that obtaining approval for a credit and/or debit transaction, which is unrelated to the wiring of money to a tax authority, is in no way similar to allowing a third party to review a TXP-based file.

**2. Rejection of independent claim 2 under 35 U.S.C. § 103(a) over Cretzler in view of Perkowski**

Claim 2 recites, “a first function for receiving an XML-based transaction request from a program controlled system for computation of sales and/or use tax including sales and/or use tax for payments and accruals and replying to the system with an XML-based response including a transaction identifier.” As described above with respect to claim 1, the Office Action and the Advisory Action seem to interpret the claimed XML-based transaction request as a simple purchase of a product. Even broadly interpreted, the purchase of a product using a point-of sale terminal does not include a request for the accrual of sales and/or use tax.

Also, Cretzler fails to teach or suggest a transaction identifier for a request for purchasing a product. Furthermore, the claimed transaction identifier is not addressed in the Office Action or the Advisory Action.

Furthermore, claim 2 recites, “receiving a transaction request from a program controlled system for computation of sales and/or use tax including sales and/or use tax for payments and accruals.” In Cretzler a request for a purchase of a product is not received

from a program controlled system. Instead, the request for a purchase of a product is received manually and information about the transaction is manually entered into the point-of-sale device via the input device 22 shown in figure 1A. Also, the point-of-sale device in Cretzler is used to enter information about transactions for purchasing products which results in the point-of-sale device calculating sales tax so the customer knows the amount of sales tax due with the purchase price. Thus, the point-of-sale device receives a request for the purchase of a product and not a request for computing the sales tax.

Claim 2 recites, “a second function for verifying the validity of the XML-based request of the tax computation system and storing the valid transaction request in a database.” Cretzler fails to teach or suggest receiving or verifying a request from a tax computation system. The Office Action and Advisory Action allege the request is a purchase request and not a request from a tax computation system. Thus, Cretzler fails to teach or suggest verifying the validity of a request of a tax computation system. Furthermore, Cretzler fails to teach or suggest storing a request from a tax computation system in a database.

Neither Cretzler nor Perkowski, which was combined with Cretzler to teach use transmitting XML-based files from an Internet enabled point-of-sale terminal, teach or suggest transforming a request from a tax computation system into a master XML-based request and storing the request from the tax computation system. Neither Cretzler nor Perkowski teach or suggest transforming a request from a tax computation system or storing a request from a tax computation system. Furthermore, the claimed tax computation system is not addressed in the Office Action or the Advisory Action. The rejection alleges that Perkowski discloses XML-based messaging, but Perkowski fails to teach or suggest transforming a request from a tax computation system into a master XML-based request and

storing the request from the tax computation system.

Claim 2 recites, “a fifth function for building a total XML-based file and transforming the file into a first TXP-based file for remitting information associated with the file over an automated clearinghouse network to a selected government authority, and for copying the first TXP-based file to an outbox file for secure and automatic access by the financial institution.” Claim 2 also recites, “a sixth function for receiving the first TXP-based file as a first TXP-based receipt file in an inbox file subsequent to processing of the first TXP-based file by the financial institution.”

Neither Cretzler nor Perkowski teach or suggest building a total XML-based file and this feature is not addressed in the Office Action or the Advisory Action. The Office Action alleges that “it is inherent that when the bank collects the information from the merchant it must transfer that data into a TPX-based file in order to wire transfer the money to the tax authority.” However, the Cretzler fails to show a request file, an outbox, or a function for permitting the financial institution to securely and automatically retrieve the TXP-based file from the outbox. In fact, no outbox and automatic retrieval of a TXP-based file is ever mentioned in Cretzler because it discloses a system which requires the merchant to manually activate a microcomputer to transmit tax information.

Claim 2 recites, “a seventh function for decrypting the first TXP-based receipt file, for storing the decrypted file as a second TXP-based receipt file in the database, and for substantially deleting the first TXP-based file and the first TXP-based receipt file from the outbox file and inbox file, respectively.” None of these features are addressed in the Office Action or the Advisory Action. Also, neither Cretzler nor Perkowski teach or suggest decrypting a file or decrypting a first TXP-based receipt file for storing the decrypted file as a

second TXP-based receipt file in a database. Furthermore, Cretzler fails to teach or suggest deleting the first TXP-based file and the first TXP-based receipt file from the outbox file and inbox file.

**3. Rejection of independent claim 3 under 35 U.S.C. § 103(a) over Cretzler in view of Perkowski**

Claim 3 recites, “a first function for receiving an XML-based transaction request from a program controlled system for computation of sales and/or use tax including sales and/or use tax for payments and accruals and replying to the system with an XML-based response including a transaction identifier.” As described above with respect to claim 2, the Office Action and the Advisory Action seem to interpret the claimed first function as a simple purchase of a product. Cretzler fails to teach or suggest a transaction identifier for a request for purchasing a product. In addition, Cretzler fails to teach or suggest receiving a request for the accrual of sales and/or use tax and receiving the request from a program controlled system.

Claim 3 recites, “a second function for verifying the validity of the XML-based request of the tax computation system and storing the valid transaction request in a database.” Cretzler fails to teach or suggest receiving, verifying, or storing a request from a tax computation system.

Neither Cretzler nor Perkowski, which was combined with Cretzler to teach use transmitting XML-based files from an Internet enabled point-of-sale terminal, teach or suggest transforming a request from a tax computation system into a master XML-based request and storing the request from the tax computation system. Neither Cretzler nor

Perkowski teach or suggest transforming a request from a tax computation system or storing a request from a tax computation system.

Claim 3 recites, “a fifth function for building a total XML-based file and transforming the file into a first TXP-based file for remitting information associated with the file to a selected government agency, and for copying the first TXP-based file to an outbox file for secure and automatic access by the financial institution.” Claim 3 also recites, “a sixth function for receiving the first TXP-based file as a first TXP-based receipt file in an inbox file subsequent to processing of the first TXP-based file by the financial institution.”

Neither Cretzler nor Perkowski teach or suggest building a total XML-based file and this feature is not addressed in the Office Action or the Advisory Action.

Claim 3 recites, “a seventh function for decrypting the first TXP-based receipt file, for storing the decrypted file as a second TXP-based receipt file in the database, and for replacing each first TXP-based file and the first TXP-based receipt file in the outbox file and inbox file, respectively, with a null file.” None of these features are addressed in the Office Action or the Advisory Action. Also, neither Cretzler nor Perkowski teach or suggest decrypting a file or decrypting a first TXP-based receipt file for storing the decrypted file as a second TXP-based receipt file in a database. Furthermore, Cretzler fails to teach or suggest for replacing each first TXP-based file and the first TXP-based receipt file in the outbox file and inbox file, respectively, with a null file.

**4. Rejection of independent claim 4 under 35 U.S.C. § 103(a) over Cretzler in view of Perkowski**

Claim 4 recites, “inputting an XML-based transaction request to a program controlled



apparatus from a system for computation of sales and/or use tax including sales and/or use tax for payments and accruals, the apparatus transmitting the tax related data to the selected financial institution, reporting the data, and remitting the funds corresponding to the data to the selected government authority.”

The Office Action and the Advisory Action seem to interpret this feature as a simple purchase of a product. Cretzler fails to teach or suggest receiving a request for the accrual of sales and/or use tax and receiving the request from a program controlled apparatus. Also, Cretzler fails to teach or suggest reporting tax-related data transmitted to a financial institution.

Claim 4 recites, “the apparatus reading the request and writing data of the request in a selected XML-based input file of a database.” Perkowski was combined with Cretzler to teach XML-based files. The Office Action alleges that Perkowski discloses transmitting transaction information via XML-based files in order to utilize Internet technologies. However, neither Cretzler nor Perkowski teach or suggest writing data of the request in a selected XML-based input file of a database. Neither Cretzler nor Perkowski teach or suggest storing a request as an XML-based file.

Claim 4 recites, “the apparatus parsing the input file to determine whether the XML-based transaction request is valid.” This feature is not addressed in the Office Action or the Advisory Action. Cretzler fails to teach or suggest parsing a file or parsing a file to determine whether a transaction request is valid.

Claim 4 recites the following:

“if the request is invalid, then the apparatus creating an XML-based file including the request and error, and sending the file as a response to the tax computation system;

if the request is valid, then the apparatus determining the type of request being made;  
if the request is a status request, then the apparatus extracting a transaction identifier from the request, retrieving a file from the database containing the current automated clearinghouse network status and other data for the request, creating an XML-based response to the request to indicate that the request has been successful, and sending the response to the tax computation system;

if the request is a remittance request, then the apparatus determining whether all required elements of the request are non-blank, and if all required elements of the request are non-blank, then determining whether the amount of tax computed is valid; and if the amount of tax computed is valid, then determining whether the message identifier in the request is unique, and if the message identifier is unique, then storing the request in a log file of the database, retrieving the transaction identifier for the request from the database, creating a file including the request and transaction identifier to indicate that the request has been successful, and sending the file to the tax computation system; and if at least one required element of the request is blank, or if the amount of tax computed is invalid, or if the message identifier is not unique, then the apparatus creating an XML-based file including the request and error to indicate that the request is erroneous, and sending the file to the tax computation system.”

None of these steps are taught or suggested by Cretzler in view of Perkowski. Also, none of these steps are addressed in the Office Action or the Advisory Action.

**5. Rejection of independent claim 5 under 35 U.S.C. § 103(a) over Cretzler in view of Perkowski**

Claim 5 recites, “retrieving a log file from a database of a program controlled apparatus from a system for computation of sales and/or use tax including sales and/or use tax for payments and accruals, the apparatus transmitting the tax related data to the selected financial institution, reporting the data and remitting the funds corresponding to the data to the selected government authority, the database indicating that a successful request for remittance of tax related information has been made.”

Cretzler fails to teach or suggest reporting the tax related data transmitted to the financial institution and also fails to teach a file in a database indicating that a successful request for remittance of tax related information has been made. Also, these features are not addressed in the Office Action or the Advisory Action.

Claim 5 recites the following:

“the apparatus creating a master XML-based transaction request file;  
storing the master XML-based file in the log file of the database; and  
accessing an XML-based network status file from the database and updating the file to indicate that the master XML-based file has been created in the log file.”

Neither Cretzler nor Perkowski teach or suggest storing a master XML-based file in a log file or accessing an XML-based network status file from the database and updating the file to indicate that the master XML-based file has been created in the log file. Also, none of the features are addressed in the Office Action or Advisory Action.

**6. Rejection of independent claim 6 under 35 U.S.C. § 103(a) over Cretzler in view of Perkowski**

Claim 6 recites, “determining whether a TXP-based file for an automated

clearinghouse network and created by a program controlled apparatus is present in an outbox.” Claim 6 also recites, “if no TXP-based file for the network is detected in the outbox, then selecting a sequence number for updating an XML-based file.”

Cretzler fails to teach or suggest determining whether a TXP-file is in an outbox and if no TXP-based file for the network is detected in the outbox, then selecting a sequence number for updating an XML-based file. Furthermore, this feature is not addressed in the Office Action or the Advisory Action.

Claim 6 recites “if a request from the tax computation system has not been processed, then retrieving a master XML-based request file from a database which has an automated clearinghouse network approval status” This feature is not taught or suggested by Cretzler and is not addressed in the Office Action or the Advisory Action.

Claim 6 recites, “combining the retrieved master XML-based request file with a total XML-based request file; converting the total XML-based file to a TXP-based file for the network”. These features are not taught or suggested by Cretzler and are not addressed in the Office Action or the Advisory Action.

Claim 6 recites, “updating a status file for the network in the database to indicate that a TXP-based file for the network has been created for XML-based transaction requests in the master XML-based request file; and deleting the total XML-based request file.” Cretzler fails to teach or suggest updating a status file and deleting a total XML-based request file.

Furthermore, these features are not addressed in the Office Action or the Advisory Action.

## **VIII. SUMMARY**

**PATENT**

Atty Docket No.: 100111410-2  
App. Ser. No.: 09/995,190

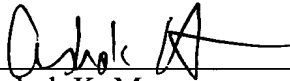
As described above, Cretzler fails to teach or suggest all the features of claims 1-6, and Perkowski fails to remedy the deficiencies of Cretzler. In view of the above, the Applicant submits that all claims on appeal distinguish over the cited art. The Applicant therefore respectfully request that the Board of Patent Appeals and Interferences reverse the Examiner's decision rejecting claims 1-6 and direct the Examiner to pass the case to issue.

Respectfully submitted,

Hong Michael Dong

Dated: May 25, 2005

By



Ashok K. Mannava  
Registration No.45,301

MANNAVA & KANG, P.C.  
8221 Old Courthouse Road  
Suite 104  
Vienna, VA 22182  
(703) 652-3822  
(703) 880-5270 (facsimile)

Enclosure: Appendix A

APPENDIX A

**IN THE CLAIMS:**

*Please find below a listing of all of the pending claims. The statuses of the claims are set forth in parentheses.*

1. (Previously Presented) A program controlled system for transmitting tax related data to a selected financial institution, reporting the data and remitting funds corresponding to the data to a selected government authority over an interactive communications network, the system comprising:

a first function for receiving an XML-based transaction request from a program controlled system for computation of sales and/or use tax including sales and/or use tax for payments and accruals, verifying the validity of the request and replying to the system with an XML response;

a second function for transforming the transaction request into a master XML-based request file and storing the master request file in a database;

a third function for notifying an authorized third party to validate any request requiring approval prior to transmission of the tax related information file to the financial institution;

a fourth function for transforming the master XML-based request file to a TXP-based file and locating the file in an outbox for retrieval by the financial institution;

a fifth function for permitting the financial institution to securely and automatically retrieve the TXP-based file from the outbox; and

a sixth function for securely logging and allowing the third party to review the TXP-based file.

2. (Previously Presented) A program controlled apparatus for transmitting tax related data to a selected financial institution, reporting the data and remitting funds corresponding to the data to a selected government authority over an interactive communications network, the apparatus comprising:

a first function for receiving an XML-based transaction request from a program controlled system for computation of sales and/or use tax including sales and/or use tax for payments and accruals and replying to the system with an XML-based response including a transaction identifier;

a second function for verifying the validity of the XML-based request of the tax computation system and storing the valid transaction request in a database;

a third function for transforming the request into a master XML-based request and storing the master request in the database;

a fourth function for notifying an authorized third party to validate any request requiring approval prior to transmitting the tax related data;

a fifth function for building a total XML-based file and transforming the file into a first TXP-based file for remitting information associated with the file over an automated clearinghouse network to a selected government authority, and for copying the first TXP-based file to an outbox file for secure and automatic access by the financial institution;

a sixth function for receiving the first TXP-based file as a first TXP-based

receipt file in an inbox file subsequent to processing of the first TXP-based file by the financial institution; and

a seventh function for decrypting the first TXP-based receipt file, for storing the decrypted file as a second TXP-based receipt file in the database, and for substantially deleting the first TXP-based file and the first TXP-based receipt file from the outbox file and inbox file, respectively.

3. (Previously Presented) A program controlled apparatus for transmitting tax related data to a selected financial institution, reporting the data, and remitting funds corresponding to the data to a selected government authority over an interactive communications network, the system comprising:

- a first function for receiving an XML-based transaction request from a system for computation of sales and/or use tax including sales and/or use tax for payments and accruals and replying with an XML-based response including a transaction identifier;
- a second function for verifying the validity of the XML-based request of the tax computation system and storing the valid transaction request in a database;
- a third function for transforming the request into a master XML-based request and storing the master request in the database;
- a fourth function for notifying an authorized third party to validate any request requiring approval prior to transmitting the tax related data;
- a fifth function for building a total XML-based file and transforming the file into a first TXP-based file for remitting information associated with the file to a selected government



agency, and for copying the first TXP-based file to an outbox file for secure and automatic access by the financial institution;

a sixth function for receiving the first TXP-based file as a first TXP-based receipt file in an inbox file subsequent to processing of the first TXP-based file by the financial institution; and

a seventh function for decrypting the first TXP-based receipt file, for storing the decrypted file as a second TXP-based receipt file in the database, and for replacing each first TXP-based file and the first TXP-based receipt file in the outbox file and inbox file, respectively, with a null file.

4. (Previously Presented) A method for transmitting tax related data to a selected financial institution, reporting the data, and remitting funds corresponding to the data to a selected government authority over an interactive communications network, the method comprising the steps of:

inputting an XML-based transaction request to a program controlled apparatus from a system for computation of sales and/or use tax including sales and/or use tax for payments and accruals, the apparatus transmitting the tax related data to the selected financial institution, reporting the data, and remitting the funds corresponding to the data to the selected government authority;

the apparatus reading the request and writing data of the request in a selected XML-based input file of a database;

the apparatus parsing the input file to determine whether the XML-based transaction request is valid;

if the request is invalid, then the apparatus creating an XML-based file including the request and error, and sending the file as a response to the tax computation system;

if the request is valid, then the apparatus determining the type of request being made;

if the request is a status request, then the apparatus extracting a transaction identifier from the request, retrieving a file from the database containing the current automated clearinghouse network status and other data for the request, creating an XML-based response to the request to indicate that the request has been successful, and sending the response to the tax computation system;

if the request is a remittance request, then the apparatus determining whether all required elements of the request are non-blank, and if all required elements of the request are non-blank, then determining whether the amount of tax computed is valid; and if the amount of tax computed is valid, then determining whether the message identifier in the request is unique, and if the message identifier is unique, then storing the request in a log file of the database, retrieving the transaction identifier for the request from the database, creating a file including the request and transaction identifier to indicate that the request has been successful, and sending the file to the tax computation system; and

if at least one required element of the request is blank, or if the amount of tax computed is invalid, or if the message identifier is not unique, then the apparatus creating an XML-based file including the request and error to indicate that the request is erroneous, and sending the file to the tax computation system.

5. (Previously Presented) A method for transmitting tax related data to a selected financial

institution, reporting and remitting funds corresponding to the data to a selected government authority over an interactive communications network, the method comprising the steps of:

retrieving a log file from a database of a program controlled apparatus from a system for computation of sales and/or use tax including sales and/or use tax for payments and accruals, the apparatus transmitting the tax related data to the selected financial institution, reporting the data and remitting the funds corresponding to the data to the selected government authority, the database indicating that a successful request for remittance of tax related information has been made;

the apparatus creating a master XML-based transaction request file;

storing the master XML-based file in the log file of the database; and

accessing an XML-based network status file from the database and updating the file to indicate that the master XML-based file has been created in the log file.

6. (Previously Presented) A method for transmitting tax related data to a selected financial institution, reporting the data<sub>1</sub> and remitting funds corresponding to the data to a selected government authority over an interactive communications network, the method comprising the steps of:

determining whether a TXP-based file for an automated clearinghouse network and created by a program controlled apparatus is present in an outbox of a system for receiving an XML-based transaction request from a system for computation of sales and/or use tax including sales and/or use tax for payments and accruals and converting the request to a TXP-based file for the network, the apparatus transmitting the tax related data to the selected financial institution, reporting the data, and remitting the funds corresponding to the data over

the network;

if a TXP-based file for the network is detected in the outbox, then performing no conversion on the TXP-based file;

if no TXP-based file for the network is detected in the outbox, then selecting a sequence number for updating an XML-based file;

if a request from the tax computation system has not been processed, then retrieving a master XML-based request file from a database which has an automated clearinghouse network approval status;

combining the retrieved master XML-based request file with a total XML-based request file;

converting the total XML-based file to a TXP-based file for the network;

storing the total XML-based file and TXP-based file in a log file of the database;

updating a status file for the network in the database to indicate that a TXP-based file for the network has been created for XML-based transaction requests in the master XML-based request file; and

deleting the total XML-based request file.